

# **FISCAL NOTE**

## **HB 496 - SB 943**

February 26, 1997

**SUMMARY OF BILL:** Amends the retirement law by granting a member, who was drafted to serve in the armed forces during peacetime periods, full credit for the entire term of military service under such draft or involuntary extension thereof, not to exceed an aggregate of four years.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$161,000 Annual Amortized Cost**  
**Increase Local Govt. Expenditures - Less than \$100,000/Permissive**

Estimate assumes:

- Approximately 5500 active and/or retired members could claim peacetime military service credit
- Sixty-five percent (3600) of these members were drafted into the armed forces
- Approximately 50% or 1800 of these members would actually apply and receive such credit
- Total lump sum liability to state government of \$1,636,000
- Such member will be required to pay 9% of the annual salary for each year claimed which is estimated to be approximately 67% of the cost

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director